

# ASSEMBLY, No. 3969

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 7, 2020

**Sponsored by:**

**Assemblyman JOE DANIELSEN**

**District 17 (Middlesex and Somerset)**

**SYNOPSIS**

Allows extension of certain local government timeframes; allows local governments to accept certain payments; allows local governments to conduct certain meetings remotely; adjusts certain property tax distribution and notice requirements.

**CURRENT VERSION OF TEXT**

As introduced.



A3969 DANIELSEN

2

1 AN ACT concerning certain local government deadlines,  
2 certifications, meetings, and acceptance of payments, property  
3 taxes, and supplementing Title 52 of the Revised Statutes, and  
4 amending P.L.1995, c.325, R.S.54:4-67, and R.S.54:4-76.

5

6 **BE IT ENACTED** by the Senate and General Assembly of the State  
7 of New Jersey:

8

9 1. (New section) a. Notwithstanding the provisions of any  
10 law, rule, or regulation to the contrary, whenever a public health  
11 emergency, pursuant to the “Emergency Health Powers Act,”  
12 P.L.2005, c.222 (C.26:13-1 et seq.), or a state of emergency,  
13 pursuant to P.L.1942, c.251 (C.App.A.9-33 et seq.), or both, has  
14 been declared by the Governor and is in effect, the Director of the  
15 Division of Local Government Services in the Department of  
16 Community Affairs shall have the power to extend any deadline  
17 under the “Local Budget Law,” N.J.S.40A:4-1 et seq., the “Local  
18 Fiscal Affairs Law,” N.J.S.40A:5-1 et seq., the “Local Authorities  
19 Fiscal Control Law,” P.L.1983, c.313 (C.40A:5A-1 et seq.), under  
20 chapter 4 of Title 54 of the Revised Statutes with respect to the  
21 issuance of any tax bill except for the quarterly property tax  
22 installment dates pursuant to R.S.54:4-66 or section 2 of P.L.1994,  
23 c.72 (C.54:4-66.1), and under chapter 5 of Title 54 of the Revised  
24 Statutes with respect to a municipal tax sale. The Director of the  
25 Division of Local Government Services shall have the power to  
26 permit municipalities to institute an extended grace period pursuant  
27 to R.S.54:4-67 not to extend beyond the first calendar day of the  
28 next calendar month immediately following the quarterly property  
29 tax installment date and under conditions the director may specify,  
30 as well as to extend the dates for the payment of taxes by a  
31 municipality due to a county, a school district, or any other taxing  
32 district under chapter 4 of Title 54 of the Revised Statutes or any  
33 other law. The Director of the Division of Local Government  
34 Services, in consultation with the Director of the Division of  
35 Taxation in the Department of the Treasury, shall have the power to  
36 extend any other deadline established in chapter 1, chapter 3,  
37 chapter 4, or chapter 5 of Title 54 of the Revised Statutes if the  
38 Director of the Division of Local Government Services determines  
39 that the extension is necessary to minimize and mitigate additional  
40 hardships, loss, or suffering to the State and its political  
41 subdivisions. A municipality, county, or any other agency or  
42 political subdivision of this State shall not enact or enforce any  
43 order, rule, regulation, ordinance, or resolution that, in any way,  
44 conflicts with any of the provisions of this section.

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1       b. In the event that, pursuant to subsection a. of this section,  
2 the Director of the Division of Local Government Services orders  
3 an extension of the dates for the payment of taxes by a municipality  
4 due to a county, a school district, or any other taxing district under  
5 chapter 4 of Title 54 of the Revised Statutes or any other law, the  
6 director shall require a municipality to pay a percentage of the total  
7 installment of taxes due to a county, school district, or any other  
8 taxing district by the original statutory date for full payment of the  
9 installment. In determining the percentage to be paid by the  
10 municipality by the original statutory installment due date, the  
11 director shall consider the amount of property taxes collected by the  
12 municipality, the fiscal condition of the municipality, the fiscal  
13 condition of any taxing district subject to the director's order of  
14 extension pursuant to subsection a. of this section, and any other  
15 budgetary, fiscal, or economic factors the director finds appropriate  
16 to make the determination. The director shall consult with the  
17 Commissioner of Education when considering the fiscal condition  
18 of a school district pursuant to this subsection.

19       c. Notwithstanding the provisions of any law, rule, or  
20 regulation to the contrary, whenever a public health emergency,  
21 pursuant to the "Emergency Health Powers Act," P.L.2005, c.222  
22 (C.26:13-1 et seq.), or a state of emergency, pursuant to P.L.1942,  
23 c.251 (C.App.A.9-33 et seq.), or both, has been declared by the  
24 Governor and is in effect, the Director of the Division of Local  
25 Government Services may extend any deadline under the  
26 "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.)  
27 by adopting an emergency rule pursuant to subsection (c) of section  
28 4 of P.L.1968, c.410 (C.52:14B-4), if the director determines that  
29 there exists an imminent peril to the public health, safety, or  
30 welfare.

31  
32       2. (New section) Notwithstanding the provisions of any law,  
33 rule, or regulation to the contrary, the following certification  
34 renewal periods shall be extended by one year, exclusive of any  
35 grace periods or extensions that may be granted by statute:

36       a. The renewal period for municipal finance officer certificates  
37 pursuant to section N.J.S.40A:9-140 shall be extended from two  
38 years to three years.

39       b. The renewal period for tax collector certificates pursuant to  
40 section 7 of P.L.1993, c.25 (C.40A:9-145.3b) shall be extended  
41 from two years to three years.

42       c. The renewal period for registered municipal clerk  
43 certificates pursuant to section 8 of P.L.1997, c.279 (C.40A:9-  
44 133.10) shall be extended from two years to three years.

45       d. The renewal period for county finance officer certificates  
46 pursuant to section 3 of P.L.1993, c.87 (C.40A:9-28.3) shall be  
47 extended from two years to three years.

1 e. The renewal period for qualified purchasing agent  
2 certificates pursuant to section 9 of P.L.1971, c.198 (C.40A:11-9)  
3 shall be extended from three years to four years.

4 f. The renewal period for public works manager certificates  
5 pursuant to section 2 of P.L.1991, c.258 (C.40A:9-154.6b) shall be  
6 extended from three years to four years.

7 g. The renewal period for tax assessor certificates pursuant to  
8 section 1 of P.L.1999, c.278 (C.54:1-35.25b) shall be extended from  
9 three years to four years.

10 This section shall apply only to certifications with statutory  
11 expiration dates occurring on or after the effective date of P.L. ,  
12 c. (C. ) (pending before the Legislature as this bill). Renewal  
13 cycles commencing after the expiration of certifications extended  
14 pursuant to this section shall revert to their original statutory time  
15 periods.  
16

17 3. (New section) Notwithstanding any provision of  
18 N.J.S.40A:9-133 to the contrary, a person appointed by a  
19 municipality to serve as an acting municipal clerk who is serving in  
20 that position as of the effective date of P.L. , c. (C. ) (pending  
21 before the Legislature as this bill), and whose term has not expired  
22 prior to the effective date of P.L. , c. (C. ) (pending before the  
23 Legislature as this bill), may, subject to the approval of the Director  
24 of the Division of Local Government Services in the Department of  
25 Community Affairs, be reappointed as an acting municipal clerk by  
26 that municipality following the termination of the temporary  
27 appointment for up to three subsequent one-year terms. A person  
28 serving as acting municipal clerk as of the effective date of P.L. ,  
29 c. (C. ) (pending before the Legislature as this bill) shall not  
30 serve the municipality as acting municipal clerk for more than four  
31 consecutive years from the date of their initial appointment by the  
32 municipality as acting municipal clerk.  
33

34 4. (New section) Notwithstanding any provision of section 8  
35 of P.L.1988, c.110 (C.40A:9-140.13) to the contrary, a person  
36 appointed by a municipality to serve as a temporary chief financial  
37 officer who is serving in that position as of the effective date of  
38 P.L. , c. (C. ) (pending before the Legislature as this bill) and  
39 whose term has not expired prior to the effective date of P.L. ,  
40 c. (C. ) (pending before the Legislature as this bill) may, subject  
41 to the approval of the Director of the Division of Local Government  
42 Services in the Department of Community Affairs, be reappointed  
43 as a temporary chief financial officer by that municipality following  
44 the termination of the temporary appointment for up to three  
45 subsequent one-year terms. A person serving as temporary chief  
46 financial officer as of the effective date of P.L. , c. (C. )  
47 (pending before the Legislature as this bill) shall not serve the  
48 municipality as a temporary chief financial officer for more than

1 four consecutive years from the date of their initial appointment by  
2 the municipality as temporary chief financial officer.

3  
4 5. (New section) Notwithstanding any provision of section 4  
5 of P.L.1993, c.87 (C.40A:9-28.4) to the contrary, a person  
6 appointed by a county to serve as a temporary chief financial officer  
7 who is serving in that position as of the effective date of P.L. ,  
8 c. (C. ) (pending before the Legislature as this bill) and whose  
9 term has not expired prior to the effective date of P.L. ,  
10 c. (C. ) (pending before the Legislature as this bill) may, subject  
11 to the approval of the Director of the Division of Local Government  
12 Services in the Department of Community Affairs, be reappointed  
13 as a temporary chief financial officer by that county following the  
14 termination of the temporary appointment for up to two subsequent  
15 one-year terms. A person serving as temporary chief financial  
16 officer as of the effective date of P.L. , c. (C. ) (pending  
17 before the Legislature as this bill) shall not serve the county as a  
18 temporary chief financial officer for more than three consecutive  
19 years from the date of their initial appointment by the county as  
20 temporary chief financial officer.

21  
22 6. (New section) Notwithstanding any provision of section 7  
23 of P.L.1991, c.258 (C.40A:9-154.6g) to the contrary, a person  
24 appointed by a municipality to serve as a temporary principal public  
25 works manager who is serving in that position as of the effective  
26 date of P.L. , c. (C. ) (pending before the Legislature as this  
27 bill) and whose term has not expired prior to the effective date of  
28 P.L. , c. (C. ) (pending before the Legislature as this bill) may  
29 be reappointed as a temporary principal public works manager for  
30 up to two subsequent one-year terms. A person serving as a  
31 temporary principal public works manager as of the effective date  
32 or P.L. , c. (C. ) (pending before the Legislature as this bill)  
33 shall not serve the municipality as a temporary principal public  
34 works manager for more than three consecutive years from the date  
35 of their initial appointment by the municipality as a temporary  
36 principal public works manager.

37  
38 7. (New section) Notwithstanding any provision of section 9  
39 of P.L.1971, c.198 (C.40A:11-9) to the contrary, a person appointed  
40 by a contracting unit to serve as a temporary purchasing agent who  
41 is serving in that position as of the effective date of P.L. ,  
42 c. (C. ) (pending before the Legislature as this bill) and whose  
43 term has not expired prior to the effective date of P.L. ,  
44 c. (C. ) (pending before the Legislature as this bill) may, subject  
45 to the approval of the Director of the Division of Local Government  
46 Services in the Department of Community Affairs, be reappointed  
47 as a temporary purchasing agent for up to two subsequent one-year  
48 terms following the end of the first temporary appointment. A

1 person serving as a temporary purchasing agent as of the effective  
2 date of P.L. , c. (C. ) (pending before the Legislature as this  
3 bill) shall not serve the contracting unit as a temporary purchasing  
4 agent for more than three consecutive years from the date of their  
5 initial appointment by the contracting unit as a temporary  
6 purchasing agent.

7  
8 8. (New section) a. Notwithstanding any provision of  
9 P.L.1975, c.231 (C.10:4-6 et seq.) or any other law, rule, or  
10 regulation to the contrary, whenever a public health emergency,  
11 pursuant to the "Emergency Health Powers Act," P.L.2005, c.222  
12 (C.26:13-1 et seq.), or a state of emergency, pursuant to P.L.1942,  
13 c.251 (C.App.A.9-33 et seq.), or both, has been declared by the  
14 Governor and is in effect, a local public body may conduct a public  
15 meeting remotely by electronic means, provided that reasonable  
16 public notice and provision for public input is made under the  
17 circumstances.

18 b. The Director of the Division of Local Government Services  
19 in the Department of Community Affairs shall adopt, pursuant to  
20 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
21 seq.), rules and regulations concerning the conduct of remote public  
22 meetings during a public health emergency or state of emergency  
23 that are necessary to implement the provisions of subsection a. of  
24 this section, which shall include minimum procedures to be  
25 followed to provide reasonable public notice and allowance for  
26 public input. The director may adopt an emergency rule pursuant to  
27 subsection (c) of section 4 of P.L.1968, c.410 (C.52:14B-4) to  
28 implement this section.

29 c. "Local public body" means any "public body," as that term  
30 is defined in section 3 of P.L.1975, c. 231 (C.10:4-8), with  
31 territorial jurisdiction equal to or less than a county.

32 "Public meeting" means that same as that term is defined in  
33 section 3 of P.L.1975, c. 231 (C.10:4-8)

34

35 9. Section 2 of P.L.1995, c.325 (C.40A:5-44) is amended to  
36 read as follows:

37 2. As used in this act:

38 "Association" means an organization whose members are issuers.

39 "Cardholder" means the person or organization named on the  
40 face of a credit card or debit card to whom or for whose benefit the  
41 credit card or debit card is issued by an issuer.

42 "Card based payment" means a monetary obligation tendered by  
43 the user of a credit card or debit card.

44 "Card payment system" means a technical procedure by which  
45 obligations owed a local unit or court may be paid by credit card or  
46 debit card.

47 "Credit card" means any instrument or device linked to an  
48 established line of credit, whether known as a credit card, charge

1 card, credit plate, or by any other name, issued with or without fee  
2 by an issuer for the use of the cardholder in satisfying outstanding  
3 financial obligations, obtaining money, goods, services or anything  
4 else of value on credit.

5 "Debit card" means any instrument or device, whether known as  
6 a debit card, automated teller machine card, or by any other name,  
7 issued with or without fee by an issuer for the use of the cardholder  
8 in obtaining money, goods, services or anything else of value  
9 through the electronic authorization of a financial institution to  
10 debit the cardholder's account.

11 "Director" means the Director of the Division of Local  
12 Government Services in the Department of Community Affairs.

13 "Electronic funds transfer" means any transfer of funds, other  
14 than a transaction originated by check, draft, or similar paper  
15 instrument, that is initiated through an electronic terminal,  
16 telephone, or computer or magnetic tape for the purpose of  
17 ordering, instructing or authorizing a financial institution to debit or  
18 credit an account, and includes an in-person funds transfer and an  
19 online funds transfer.

20 "Electronic funds transfer system" means a technical procedure  
21 by which obligations owed to or collected by the Supreme Court,  
22 the Superior Court, Tax Court or a local unit may be paid by an  
23 electronic transaction between the financial institution of the person  
24 or organization owing the obligation and the financial institution of  
25 the governmental entity.

26 "In-person funds transfer" means any transfer of funds through a  
27 service that accepts a payment made in-person, by any method, and  
28 then transmits those funds to a payee by electronic funds transfer.

29 "Issuer" means the business organization or financial institution  
30 which issues a credit card or debit card, or its duly authorized agent.

31 "Local unit" means any unit of government subject to the  
32 provisions of chapter 5 or 5A of Title 40A of the New Jersey  
33 Statutes, and the constituent parts of those units, including but not  
34 limited to independent local authorities, public libraries, municipal  
35 courts and joint municipal courts.

36 "Online funds transfer" means any Internet-based transfer of  
37 funds through an Internet-based payment system.

38 "Service charge" means a fee charged by the Supreme Court, the  
39 Superior Court, Tax Court or local unit in excess of the total  
40 obligation owed by a person or organization to offset processing  
41 charges or discount fees for the use of a card payment system or an  
42 electronic funds transfer system.

43 (cf: P.L.1995, c.325, s.2)

44

45 10. R.S.54:4-67 is amended to read as follows:

46 54:4-67. a. (1) The governing body of each municipality may  
47 by resolution fix the rate of discount to be allowed for the payment  
48 of taxes or assessments previous to the date on which they would

1 become delinquent. The rate so fixed shall not exceed 6% per  
2 annum, shall be allowed only in case of payment made on or before  
3 the thirtieth day previous to the date on which the taxes or  
4 assessments would become delinquent, after subtracting the amount  
5 of applicable property tax credit as defined in section 1 of P.L.2018,  
6 c.11 (C.54:4-66.6). No such discount shall apply to the purchaser  
7 of a total property tax levy pursuant to section 16 of P.L.1997, c.99  
8 (C.54:5-113.5). The governing body may also fix the rate of  
9 interest to be charged for the nonpayment of taxes, assessments, or  
10 other municipal liens or charges, unless otherwise provided by law,  
11 on or before the date when they would become delinquent, and may  
12 provide that no interest shall be charged if payment of any  
13 installment is made within the tenth calendar day following the date  
14 upon which the same became payable. The rate so fixed shall not  
15 exceed 8% per annum on the first \$1,500.00 of the delinquency and  
16 18% per annum on any amount in excess of \$1,500.00, to be  
17 calculated from the date the tax was payable until the date that  
18 actual payment to the tax collector is made.

19 (2) Notwithstanding the provisions of paragraph (1) of this  
20 subsection regarding delinquent payments, in the case of a  
21 municipality that has experienced a flood, hurricane, superstorm,  
22 tornado, or other natural disaster, interest shall not be charged by  
23 the municipality to a delinquent taxpayer if:

24 (a) a state of emergency has been declared as a result thereof by  
25 the Governor less than 30 days prior to the date upon which a  
26 property tax installment payment is payable pursuant to R.S.54:4-66  
27 or section 2 of P.L.1994, c.72 (C.54:4-66.1), as appropriate, and

28 (b) the governing body of the municipality adopts a resolution  
29 providing that interest shall not be charged to a delinquent taxpayer  
30 if payment of the property tax installment, plus any available  
31 property tax credit as defined in section 1 of P.L.2018, c.11  
32 (C.54:4-66.6), is made on or before the first day of the next  
33 calendar month from the date upon which it became payable.

34 (3) The municipal clerk shall notify the Director of the Division  
35 of Local Government Services in the Department of Community  
36 Affairs of its adoption of a resolution effectuating the provisions of  
37 paragraph (2) of this subsection not later than the third business day  
38 next following the municipal governing body's adoption of the  
39 resolution. If the municipality is under State supervision pursuant  
40 to the provisions of Article 4 of the "Local Government Supervision  
41 Act (1947)," P.L.1947, c.151 (C.52:27BB-54 et seq.), is subject to  
42 the provisions of the "Municipal Rehabilitation and Economic  
43 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or is  
44 otherwise subject to a memorandum of understanding or similar  
45 agreement with the division as a condition of receiving  
46 supplemental State aid, the resolution shall not be effective unless it  
47 is approved by the director.

48 (4) (a) As used in this paragraph:

1 "Eligible resident" means either:

2 (i) an employee of a federal government agency who is  
3 furloughed because of a shutdown and receives unemployment  
4 benefits during the shutdown or who works during a shutdown but  
5 is not paid because of the shutdown; or

6 (ii) a contractor whose pay is received through a contract with a  
7 federal government agency but whose payment is delayed or  
8 diminished because of a shutdown, provided that the contractor  
9 receives unemployment benefits during the shutdown.

10 "Shutdown" means any period in which there is more than a 24-  
11 hour lapse in appropriations for any federal government agency as a  
12 result of a failure to enact a regular appropriations bill or continuing  
13 resolution due to an impasse between the President and the  
14 Congress of the United States or between the two Houses of  
15 Congress.

16 (b) Notwithstanding the provisions of paragraph (1) of this  
17 subsection regarding delinquent payments, a municipality shall not  
18 charge interest to a delinquent taxpayer who is an eligible resident  
19 or who resides with a spouse, partner in a civil union, or domestic  
20 partner who is an eligible resident, if:

21 (i) a shutdown remains in effect for more than 21 days and  
22 either ends less than 14 days prior to the date upon which a property  
23 tax installment payment is payable pursuant to R.S.54:4-66 or  
24 section 2 of P.L.1994, c.72 (C.54:4-66.1), as appropriate, or  
25 remains in effect on the date that the property tax installment  
26 payment is due and payable; and

27 (ii) the governing body of the municipality in which the  
28 delinquent taxpayer resides adopts a resolution providing that  
29 interest shall not be charged to such a delinquent taxpayer if  
30 payment of the property tax installment, less any available property  
31 tax credit as defined in section 1 of P.L.2018, c.11 (C.54:4-66.6), is  
32 made on or before the date upon which the next property tax  
33 installment payment is payable.

34 (c) Interest shall not be charged pursuant to this paragraph only  
35 if a delinquent property taxpayer provides to the municipality proof  
36 that the delinquent property taxpayer's pay, or the pay of the  
37 delinquent property taxpayer's spouse, partner in a civil union, or  
38 domestic partner, is derived from a federal government agency that  
39 is affected by a shutdown. In the case of a federal employee, that  
40 proof shall be demonstrated by a pay stub showing employment by  
41 a federal government agency that is affected by a shutdown. In the  
42 case of a contractor, the resolution adopted by the governing body  
43 of the municipality pursuant to subparagraph (b) of this paragraph  
44 shall establish the criteria necessary to verify the that the  
45 contractor's pay is received through a contract with a federal agency  
46 that is affected by a shutdown.

47 (d) The municipal clerk shall notify the Director of the Division  
48 of Local Government Services in the Department of Community

1 Affairs of the municipality's adoption of a resolution effectuating  
2 the provisions of part (ii) of subparagraph (b) of this paragraph not  
3 later than the third business day next following the adoption of the  
4 resolution. If the municipality is under State supervision pursuant  
5 to the provisions of Article 4 of the "Local Government Supervision  
6 Act (1947)," P.L.1947, c.151 (C.52:27BB-54 et seq.), is subject to  
7 the provisions of the "Municipal Rehabilitation and Economic  
8 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or is  
9 otherwise subject to a memorandum of understanding or similar  
10 agreement with the division as a condition of receiving  
11 supplemental State aid, the resolution shall not be effective unless it  
12 is approved by the director.

13 b. (1) In any year when the governing body changes the rate of  
14 interest to be charged for delinquent taxes, assessments or other  
15 municipal charges, or to be charged for the end of the year penalty,  
16 the governing body, after adoption of a resolution changing the rate  
17 of interest, shall provide a notice to all taxpayers, prior to the date  
18 taxes are next due or with the tax bill, stating the new rate or rates  
19 to be charged and the date that the new rate or rates take effect.  
20 The notice may be separate from the tax bill. No change in the rate  
21 of interest or the end of year penalty shall take effect until the  
22 required notice has been provided in accordance with this  
23 subsection.

24 (2) Whenever the governing body extends the interest-free  
25 period pursuant to subsection a. of section 1 of P.L. , c. (C. )  
26 (pending before the Legislature as this bill), the governing body  
27 shall provide a notice to all taxpayers by either (a) regular mail; or  
28 (b) by a telephonic system and one of the following alternatives:  
29 electronic mail, text messaging system, or any other digital platform  
30 used by the municipality to disseminate information to municipal  
31 residents electronically. The municipality also shall post the notice  
32 on its Internet website, if the municipality has a website, and on the  
33 Internet website of the Department of Community Affairs, if the  
34 municipality has no website. The municipal clerk shall notify the  
35 Director of the Division of Local Government Services in the  
36 Department of Community Affairs of its adoption of a resolution  
37 effectuating the provisions of an extended interest-free period,  
38 pursuant to section 1 of P.L. , c. (C. ) (pending before the  
39 Legislature as this bill), not later than the third business day next  
40 following the municipal governing body's adoption of the  
41 resolution.

42 c. In municipalities that have sold their property tax levy  
43 pursuant to section 16 of P.L.1997, c.99 (C.54:5-113.5), the rate of  
44 interest to be charged for the nonpayment of taxes, assessments or  
45 other municipal liens or charges shall be the same interest or  
46 delinquency rate or rates otherwise charged by the municipality, to  
47 be calculated from the date the tax was payable until the date of  
48 actual payment to the tax collector. The purchaser of the total

1 property tax levy shall be paid only those amounts attributable to  
2 properties included in the total property tax levy purchase and  
3 actually collected by the tax collector and which amounts shall not  
4 include any delinquent interest collected by the municipal tax  
5 collector prior to the time that the total property tax levy purchaser  
6 makes the levy payment to the municipality.

7 d. Whenever the time period for a property tax installment  
8 payment has been extended pursuant to the provisions of subsection  
9 a. of this section, the Director of the Division of Local Government  
10 Services in the Department of Community Affairs may, by  
11 temporary order, extend the dates for payment of taxes by a  
12 municipality due to a county pursuant to R.S.54:4-74, any school  
13 district pursuant to R.S.54:4-75, and any other taxing district as  
14 provided by law.

15 "Delinquency" means the sum of all taxes and municipal charges  
16 due on a specific real property, less the amount of applicable  
17 property tax credit as defined in section 1 of P.L.2018, c.11  
18 (C.54:4-66.6), covering any number of quarters or years. The  
19 property shall remain delinquent, as defined herein, until such time  
20 as all unpaid taxes, including subsequent taxes and liens, together  
21 with interest thereon shall have been fully paid and satisfied and all  
22 applicable property tax credit, as defined in section 1 of P.L.2018,  
23 c.11 (C.54:4-66.6), has been credited. The delinquency shall  
24 remain notwithstanding the issuance of a certificate of sale pursuant  
25 to R.S.54:5-32 and R.S.54:5-46, the payment of delinquent tax by  
26 the purchaser of the total property tax levy pursuant to section 16 of  
27 P.L.1997, c.99 (C.54:5-113.5) and for the purposes of satisfying the  
28 requirements for filing any tax appeal with the county board of  
29 taxation or the State tax court. The governing body may also fix a  
30 penalty to be charged to a taxpayer with a delinquency in excess of  
31 \$10,000 who fails to pay that delinquency as billed, less the amount  
32 of applicable property tax credit as defined in section 1 of P.L.2018,  
33 c.11 (C.54:4-66.6), prior to the end of the fiscal year. If any fiscal  
34 year delinquency in excess of \$10,000 is paid by the holder of an  
35 outstanding tax sale certificate or a total property tax levy  
36 purchaser, the holder or purchaser, as appropriate, shall be entitled  
37 to receive the amount of the penalty as part of the amount required  
38 to redeem such certificate of sale providing the payment is made by  
39 the tax lien holder or tax levy purchaser prior to the end of the fiscal  
40 year. If the holder of the outstanding tax sale certificate or the levy  
41 purchaser, as appropriate, does not make the payment in full prior  
42 to the end of the fiscal year, then the holder or purchaser shall be  
43 entitled to a pro rata share of the delinquency penalty upon  
44 redemption, and the balance of the penalty shall inure to the benefit  
45 of the municipality. The penalty so fixed shall not exceed 6% of  
46 the amount of the delinquency with respect to each most recent  
47 fiscal year only.

48 (cf: P.L.2019, c.491, s.1)

1 11. R.S.54:4-76 is amended to read as follows:

2 54:4-76. a. The governing body of the municipality or the  
3 county shall cause the county tax due, as calculated pursuant to  
4 R.S.54:4-74, and other county taxes levied, school tax due, as  
5 calculated pursuant to R.S.54:4-75, taxes due to other taxing  
6 districts, and State taxes to be paid as and when due for payment. If  
7 there shall not be sufficient funds in the treasury available for such  
8 payments, the governing body shall immediately borrow sufficient  
9 money and pay such taxes due. The board of chosen freeholders of  
10 each county may by resolution fix the rate of discount to be allowed  
11 for the payment to the county treasurer of county taxes previous to  
12 the date on which they will become due for payment. The rate so  
13 fixed shall not exceed six **[per centum]** percent per **[annum]** year,  
14 and shall be allowed only in case of payment on or before the  
15 thirtieth day previous to the date on which said taxes will become  
16 due for payment to the county treasurer. On any part of the taxes  
17 payable to the county treasurer and on any part of the taxes payable  
18 to the State by the county treasurer, which shall remain unpaid after  
19 the time within which they are required to be paid by this chapter,  
20 the taxing district or county in arrears shall pay to the county or  
21 State, as the case may be, interest at the rate of six **[per centum]**  
22 percent per **[annum]** year upon the delayed payment.

23 b. Notwithstanding the provisions of subsection a. of this  
24 section, the board of chosen freeholders of a county may, by  
25 resolution, waive the interest that a municipality is required to pay  
26 to the county pursuant to that subsection on any unpaid property  
27 taxes due and owing to the county by a municipality if the  
28 municipality adopted an extended interest-free period pursuant to  
29 subsection a. of section 1 of P.L. , c. (C. ) (pending before  
30 the Legislature as this bill), and a public health emergency, pursuant  
31 to the “Emergency Health Powers Act,” P.L.2005, c.222 (C.26:13-1  
32 et seq.), or a state of emergency, pursuant to P.L.1942, c.251  
33 (C.App.A.9-33 et seq.), or both, has been declared by the Governor  
34 and is in effect. A waiver adopted by a county pursuant to this  
35 subsection shall expire 30 days after the end of the municipality’s  
36 extended interest-free period.

37 (cf: P.L.2013, c.261, s.5)

38

39 12. Notwithstanding the provisions of section 15 of P.L.1944,  
40 c.255 (C.43:16A-15), section 24 of P.L.1954, c.84 (C.43:15A-24),  
41 or any other law, rule, or regulation to the contrary, if payment of  
42 the full amount of the employer's contributions certified by the  
43 Police and Firemen’s Retirement System or the Public Employees’  
44 Retirement System was not made within 30 days after the required  
45 due date when that due date occurred in the year 2020 and prior to  
46 the effective date of P.L. , c. (C. ) (pending before the  
47 Legislature as this bill), the interest at the rate of 10 percent per  
48 year that is required to be assessed against the unpaid balance

1 thereof on the first day after such 30th day shall not be assessed for  
2 an additional period of 30 days. If the full amount of the certified  
3 employer's contributions is not made within 60 days after the  
4 required due date, the interest shall be assessed against any unpaid  
5 balance of that employer on the first day after that 60th day.

6  
7 13. This act shall take effect immediately, except that subsection  
8 c. of section 1 shall remain inoperative while any conflicting  
9 provision of P.L. , c. (C. ) (pending before the Legislature  
10 as Senate Bill No. 2346 of 2020-2021) remains in effect, and  
11 sections 10 and 14 shall be retroactive to March 9, 2020.

12  
13  
14 STATEMENT

15  
16 This bill would provide for local government flexibility with  
17 regard to various timeframes, deadlines, and other statutory  
18 requirements in order to help them continue to function and meet  
19 these obligations during times of emergencies.

20 The bill provides expansive authority to the Director of the  
21 Division of Local Government Services in the Department of  
22 Community Affairs to extend certain deadlines applicable to local  
23 government units of the State during periods of emergency declared  
24 by the Governor. The deadlines that the director may extend  
25 include, but are not limited to, deadlines for: a county's notification  
26 to the director of a county board of taxation's failure to receive a  
27 copy of a school or municipal budget; a county board of taxation's  
28 substitution of an adopted municipal budget for an amount certified  
29 by the director; a county board of taxation to complete a table of  
30 aggregates; the director to act as necessary in order to consolidate  
31 ballot questions and procedures when a governing body elects to  
32 hold certain referendums; the director to review and approve  
33 municipal budgets that are not subject to local review; a  
34 municipality to certify a preliminary tax levy; and a municipality to  
35 cause an annual audit of their books, accounts, and financial  
36 transactions.

37 In addition, the bill provides the Director of the Division of  
38 Local Government Services the authority to permit municipalities to  
39 institute an extended grace period for quarterly property tax  
40 payments and other municipal charges notwithstanding the  
41 maximum number of days set forth in R.S.54:4-67. The bill also  
42 empowers the director to extend deadlines under the "Municipal  
43 Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.).

44 The bill extends certification renewal periods for various county  
45 and municipal officers, including finance officers, tax collectors,  
46 and tax assessors. The bill also permits various temporary or acting  
47 county and municipal officials to be reappointed on a temporary or  
48 acting basis for up to three subsequent one-year terms, if the person

1 appointed on a temporary or acting basis is serving in that capacity  
2 as of the effective date of the bill.

3 The bill authorizes local public bodies to hold public meetings  
4 remotely by electronic means during periods of emergency declared  
5 by the Governor so long as reasonable public notice and provision  
6 for public input is made under the circumstances. This provision of  
7 the bill is retroactive to March 9, 2020, when Executive Order No.  
8 103 was issued, declaring a public health emergency and state of  
9 emergency in response to COVID-19. The bill requires the Director  
10 of the Division of Local Government Services to adopt regulations  
11 for the conduct of these remote meetings, which would later take  
12 effect and be followed upon their adoption.

13 The bill also would clarify that local governments may accept  
14 specific types of electronic payments. Namely, this bill would  
15 allow local governments to accept payments through in-person-  
16 based electronic transfer services, such as a Western Union kiosk,  
17 as well as Internet-based electronic transfer systems, such as PayPal  
18 and Venmo. The enhanced flexibility provided by this bill to make  
19 remote, electronic payments to local governments is of particular  
20 importance in light of the social distancing required by the current  
21 COVID-19 crisis.

22 This bill also would modify the general notice requirements  
23 when a municipality changes the rate of interest to be charged on  
24 delinquent property taxes if it extends the interest-free grace period  
25 as may be authorized by the Director of the Division of Local  
26 Government Services during an emergency. Under current law, in  
27 any year when the governing body of a municipality changes the  
28 rate of interest to be charged for delinquent taxes, the governing  
29 body is required to provide a notice to all taxpayers, prior to the  
30 date taxes are next due or with the tax bill, of the new rate or rates  
31 to be charged and the date that the new rate or rates are to take  
32 effect. Under the bill, if an extended interest-free period is  
33 instituted, the municipality would have to provide a notice to all  
34 taxpayers by either (a) regular mail; or (b) by a telephonic system  
35 and one of the following alternatives: electronic mail, text  
36 messaging system, or any other digital platform used by the  
37 municipality to disseminate information to municipal residents  
38 electronically. The municipality also would have to post the notice  
39 on its Internet website, if the municipality has a website, and on the  
40 Internet website of the Department of Community Affairs, if the  
41 municipality has no website. The municipality also would have to  
42 notify the Director of the Division of Local Government Services in  
43 the Department of Community Affairs of its adoption of a  
44 resolution extending the interest-free period no later than the third  
45 business day next following its adoption of the resolution.

46 The bill also would permit a county to waive the six percent per  
47 year interest that a municipality is required to pay to a county when  
48 it does not turn over property tax revenue collected by the

1 municipality on the county's behalf on the statutorily-required  
2 dates, if the municipality adopts the above extended grace period  
3 and a public health emergency or a state of emergency has been  
4 declared by the Governor and is in effect. Such a waiver would  
5 expire 30 days after the end of the municipality's extended grace  
6 period.

7 Lastly, the bill would provide that if the full amount of the  
8 employer's contributions certified by the Police and Firemen's  
9 Retirement System or the Public Employees' Retirement System  
10 was not made within 30 days after the required due date when that  
11 due date occurred in the year 2020, the interest at the rate of 10  
12 percent per year that is required to be assessed against the unpaid  
13 balance thereof on the first day after such 30th day not be assessed  
14 for an additional period of 30 days. If the full amount of the  
15 certified employer's contributions is not made within 60 days after  
16 the required due date, the interest would be assessed against any  
17 unpaid balance of that employer on the first day after that 60th day.  
18 This provision is also retroactive to March 9, 2020.